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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS **October 1993**

(All figures in text below are in seasonally adjusted current dollars)

New Orders

New orders for manufactured durable goods in October increased \$2.7 billion or 2.0 percent to \$135.8 billion, the highest level on record, the Department of Commerce, Bureau of the Census reported today. This follows a 1.1 percent increase in September and is the third consecutive monthly increase. Year to date, 1993 new orders are 8.3 percent above the same period a year ago.

Eight of the ten major groups had increases. The largest increase was in transportation equipment, up \$1.7 billion or 5.5 percent to \$32.7 billion, as increases in aircraft and parts and motor vehicles and parts more than offset a decrease in shipbuilding and tanks. Excluding transportation equipment, new orders increased \$0.9 billion or 0.9 percent, the fifth consecutive increase. Instruments and related products and industrial machinery and equipment also had large increases.

Shipments

Shipments of durable goods in October increased \$0.1 billion or 0.1 percent to \$137.6 billion, the highest level on record. This follows a 2.2 percent increase in September. Electronic and other electrical equipment had the largest decrease, down \$0.7 billion or 3.3 percent to \$19.3 billion, due to electronic components. Transportation equipment had the largest increase, up \$1.3 billion or 3.7 percent to \$36.5 billion, primarily due to motor vehicle and parts and aircraft and parts. Excluding transportation equipment, shipments were down \$1.2 billion or 1.2 percent. Year to date, durable goods shipments are 7.8 percent above the same period a year ago.

Unfilled Orders

Unfilled orders for durable goods in October decreased \$1.8 billion or 0.4 percent to \$426.7 billion, the lowest level since June 1988. This is the eighth consecutive monthly decline and twenty-seventh in the last thirty-two months. Transportation equipment, down for the eighteenth consecutive month, had the largest decrease, down \$3.7 billion or 1.7 percent to \$218.2 billion, primarily due to aircraft and parts. This is the lowest level since January 1989. Excluding transportation equipment, unfilled orders were up \$1.9 billion or 0.9 percent. Electronic and other electrical equipment had the largest increase, up \$1.4 billion or 3.1 percent to \$45.8 billion, primarily due to electronic components. Industrial machinery and equipment increased \$0.6 billion or 1.2 percent to \$51.6 billion, with increases in nearly all categories.

Capital Goods Industries

Defense - New orders were down \$0.7 billion or 11.6 percent to \$5.7 billion, with declines in all categories except aircraft and parts. This follows a 2.1 percent decrease in September. Shipments were up \$0.4 billion or 5.0 percent to \$7.9 billion, following a 5.9 percent increase in September. Unfilled orders, down for nine consecutive months and twenty-one of the last twenty-two months, decreased \$2.2 billion or 1.8 percent to \$119.7 billion, the lowest level since November 1983.

Nondefense - New orders increased \$1.4 billion or 4.4 percent to \$32.3 billion, following a 3.2 percent decrease in September. Shipments were up \$0.2 billion or 0.5 percent to \$33.5 billion, following a 1.4 percent decrease in September. Unfilled orders, down seventeen of the last nineteen months, declined \$1.2 billion or 0.6 percent to \$199.6 billion, the lowest level since June 1989. Excluding aircraft and parts, new orders increased \$0.4 billion or 1.5 percent, the eighth increase in the last nine months; shipments decreased \$0.2 billion or 0.6 percent, the first decrease since April; and unfilled orders increased \$1.0 billion or 1.4 percent, the ninth increase in the last eleven months.

This report presents advance information on two key business indicators: durable goods manufacturers' shipments and orders. Revised and more detailed estimates plus nondurable goods and inventory data will be published December 3, 1993. The advance report on durable goods for November is scheduled for December 23, 1993. This report is available on the day of issue through the Department of Commerce's online Economic Bulletin Board (N-8-1) (202-482-3870) and through the Census Bureau's online information service-CENDATA. Further information about accessing CENDATA can be obtained from

Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
(Millions of dollars)

| Item | Seasonally adjusted | | | | | | Not seasonally adjusted ¹ | | | | |
|--|---------------------------|----------------------------|--------------|-----------------------------|-----------------------------|---------------|--------------------------------------|----------------------------|--------------|--|-------|
| | Monthly | | | Percent Change | | | Monthly | | | Percent change Oct.9 - Oct.92 | |
| | Oct. 1993 ² | Sept. 1993 ² | Aug. 1993 | Sept.- Oct. ² | Aug.- Sept. ² | July- Aug. | Oct. 1993 ² | Sept. 1993 ² | Oct. 1992 | | |
| DURABLE GOODS | | | | | | | | | | | |
| Total : | | | | | | | | | | | |
| Shipments | 137,610 | 137,521 | 134,521 | +0.1 | +2.2 | +4.1 | 144,279 | 147,012 | 132,242 | | +9.1 |
| New orders | 135,800 | 133,142 | 131,752 | +2.0 | +1.1 | +2.5 | 141,795 | 140,241 | 130,473 | | +8.7 |
| Unfilled orders | 426,676 | 428,486 | 432,865 | -0.4 | -1.0 | -0.6 | 423,197 | 425,681 | 455,010 | | -7.0 |
| Excluding defense : | | | | | | | | | | | |
| Shipments | 129,705 | 129,996 | 127,415 | -0.2 | +2.0 | +4.7 | 136,479 | 138,971 | 124,748 | | +9.4 |
| New orders | 130,090 | 126,684 | 125,154 | +2.7 | +1.2 | +3.2 | 135,570 | 133,613 | 122,579 | | +10.6 |
| Unfilled orders | 307,014 | 306,629 | 309,941 | +0.1 | -1.1 | -0.7 | 304,745 | 305,654 | 325,958 | | -6.5 |
| With unfilled orders : | | | | | | | | | | | |
| Shipments | 109,504 | 110,175 | 108,447 | -0.6 | +1.6 | +3.7 | 113,170 | 119,306 | 105,954 | | +6.8 |
| New orders | 107,694 | 105,796 | 105,678 | +1.8 | +0.1 | +1.8 | 110,686 | 112,535 | 104,185 | | +6.2 |
| Primary metals : | | | | | | | | | | | |
| Shipments | 11,320 | 11,534 | 11,318 | -1.9 | +1.9 | +1.7 | 11,829 | 12,004 | 11,689 | | +1.2 |
| New orders | 11,524 | 11,490 | 11,044 | +0.3 | +4.0 | +1.7 | 11,365 | 11,190 | 10,836 | | +4.9 |
| Unfilled orders | 22,244 | 22,040 | 22,084 | +0.9 | -0.2 | -1.2 | 20,907 | 21,371 | 19,468 | | +7.4 |
| Industrial machinery and equipment: | | | | | | | | | | | |
| Shipments | 24,230 | 24,418 | 23,886 | -0.8 | +2.2 | +1.7 | 23,791 | 26,590 | 20,939 | | +13.6 |
| New orders | 24,866 | 24,555 | 24,103 | +1.3 | +1.9 | +1.6 | 24,577 | 26,434 | 20,860 | | +17.8 |
| Unfilled orders | 51,603 | 50,967 | 50,830 | +1.2 | +0.3 | +0.4 | 51,404 | 50,618 | 50,753 | | +1.3 |
| Electronic and other electrical equipment : | | | | | | | | | | | |
| Shipments | 19,324 | 19,984 | 19,654 | -3.3 | +1.7 | +2.2 | 19,793 | 22,111 | 18,411 | | +7.5 |
| New orders | 20,688 | 20,523 | 19,839 | +0.8 | +3.4 | -3.0 | 21,266 | 22,188 | 18,795 | | +13.1 |
| Unfilled orders | 45,817 | 44,453 | 43,914 | +3.1 | +1.2 | +0.4 | 45,490 | 44,017 | 42,334 | | +7.5 |
| Transportation equipment : | | | | | | | | | | | |
| Shipments | 36,455 | 35,170 | 34,127 | +3.7 | +3.1 | +10.6 | 39,681 | 36,268 | 35,310 | | +12.4 |
| New orders | 32,723 | 31,011 | 31,366 | +5.5 | -1.1 | +7.4 | 36,536 | 31,632 | 34,829 | | +4.9 |
| Unfilled orders | 218,150 | 221,882 | 226,041 | -1.7 | -1.8 | -1.2 | 217,369 | 220,514 | 251,888 | | -13.7 |
| CAPITAL GOODS INDUSTRIES³ | | | | | | | | | | | |
| Total : | | | | | | | | | | | |
| Shipments | 41,417 | 40,885 | 40,931 | +1.3 | -0.1 | +4.1 | 40,245 | 44,978 | 37,703 | | +19.8 |
| New orders | 38,046 | 37,432 | 38,590 | +1.6 | -3.0 | +3.4 | 37,631 | 40,884 | 37,046 | | +13.1 |
| Unfilled orders | 319,275 | 322,646 | 326,099 | -1.0 | -1.1 | -0.7 | 317,888 | 320,502 | 352,588 | | -9.8 |
| Nondefense : | | | | | | | | | | | |
| Shipments | 33,512 | 33,360 | 33,825 | +0.5 | -1.4 | +6.6 | 32,445 | 36,937 | 30,209 | | +7.4 |
| New orders | 32,336 | 30,974 | 31,992 | +4.4 | -3.2 | +6.3 | 31,406 | 34,256 | 29,152 | | +7.7 |
| Unfilled orders | 199,613 | 200,789 | 203,175 | -0.6 | -1.2 | -0.9 | 199,436 | 200,475 | 223,536 | | -10.8 |
| Excluding aircraft and parts : | | | | | | | | | | | |
| Shipments | 28,433 | 28,611 | 27,776 | -0.6 | +3.0 | +1.2 | 27,770 | 31,810 | 24,758 | | +12.2 |
| New orders | 29,435 | 29,008 | 28,062 | +1.5 | +3.4 | +1.7 | 28,909 | 31,912 | 24,626 | | +17.4 |
| Unfilled orders | 73,482 | 72,480 | 72,083 | +1.4 | +0.6 | +0.4 | 73,305 | 72,166 | 70,894 | | +3.4 |
| Defense : | | | | | | | | | | | |
| Shipments | 7,905 | 7,525 | 7,106 | +5.0 | +5.9 | -6.4 | 7,800 | 8,041 | 7,494 | | +4.1 |
| New orders | 5,710 | 6,458 | 6,598 | -11.6 | -2.1 | -8.8 | 6,225 | 6,628 | 7,894 | | -21.1 |
| Unfilled orders | 119,662 | 121,857 | 122,924 | -1.8 | -0.9 | -0.4 | 118,452 | 120,027 | 129,052 | | -8.2 |

(NA) Not available. ¹ Revised.¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders are as of the end of the period and are not adjusted for trading-day or calendar-month variations.² Based on advance sample.³ The Capital Goods Industries include Nondefense : ordnance and accessories, steam engines and turbines, internal combustion engines, construction mining and material handling equipment, metalworking machinery, special industrial machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial apparatus, communication equipment, complete aircraft, missiles, and space vehicles, aircraft missiles, and space vehicle engines and parts, ships and tank components, railroad equipment, and search and navigation equipment.

Defense capital goods include : ordnance, communication equipment, aircraft, missiles, space vehicles, and parts, ships, tanks and tank components, search and navigation equipment.

Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

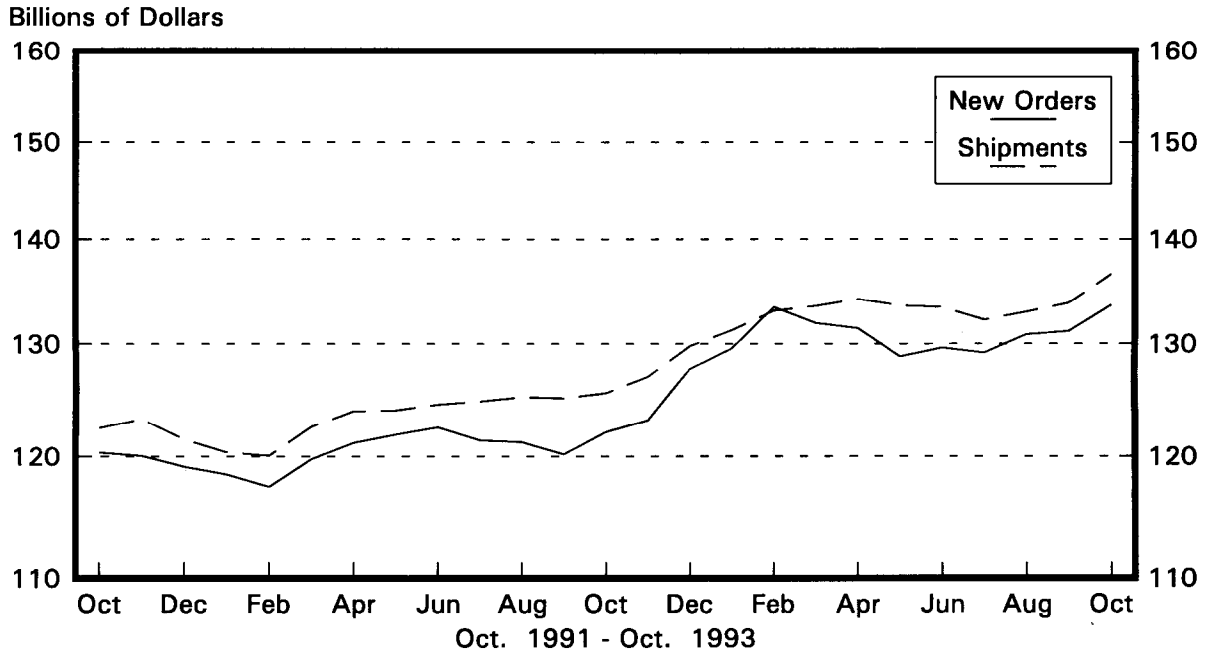
| Industry | Shipments | | | New Orders | | | Unfilled Orders | | |
|---|-----------|-----------|------------|------------|-----------|------------|-----------------|-----------|------------|
| | Year ago | Oct. | Oct. 1992- | Year ago | Oct. | Oct. 1992- | Year ago | Oct. | Oct. 1992- |
| | Oct. 1992 | 1988-1992 | Sept. 1993 | Oct. 1992 | 1988-1992 | Sept. 1993 | Oct. 1992 | 1988-1992 | Sept. 1993 |
| Durable goods | 0.2 | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.0 | 0.1 | 0.1 |
| Primary metals | 0.1 | 0.4 | 0.4 | 1.5 | 0.4 | 1.2 | 0.7 | 0.3 | 0.3 |
| Industrial machinery and equipment | 1.2 | 0.9 | 0.7 | 1.9 | 1.6 | 0.9 | 0.1 | 0.3 | 0.3 |
| Electronic and other electrical equipment | 0.7 | 0.4 | 0.5 | 0.6 | 0.6 | 0.7 | 0.0 | 0.1 | 0.1 |
| Transportation equipment | 0.4 | 0.6 | 0.7 | 0.3 | 0.7 | 1.1 | 0.1 | 0.1 | 0.1 |
| Nondefense capital goods | 0.1 | 0.4 | 0.6 | 1.6 | 1.3 | 1.1 | 0.3 | 0.2 | 0.2 |
| Defense capital goods | 0.0 | 0.3 | 0.6 | 0.6 | 1.6 | 2.2 | 0.1 | 0.1 | 0.1 |

Note : The revisions are the differences between the month-to-month percent changes of the advance and final estimates. The monthly averages are the simple averages of the differences, without regard for the months specified.

Total Durable Goods

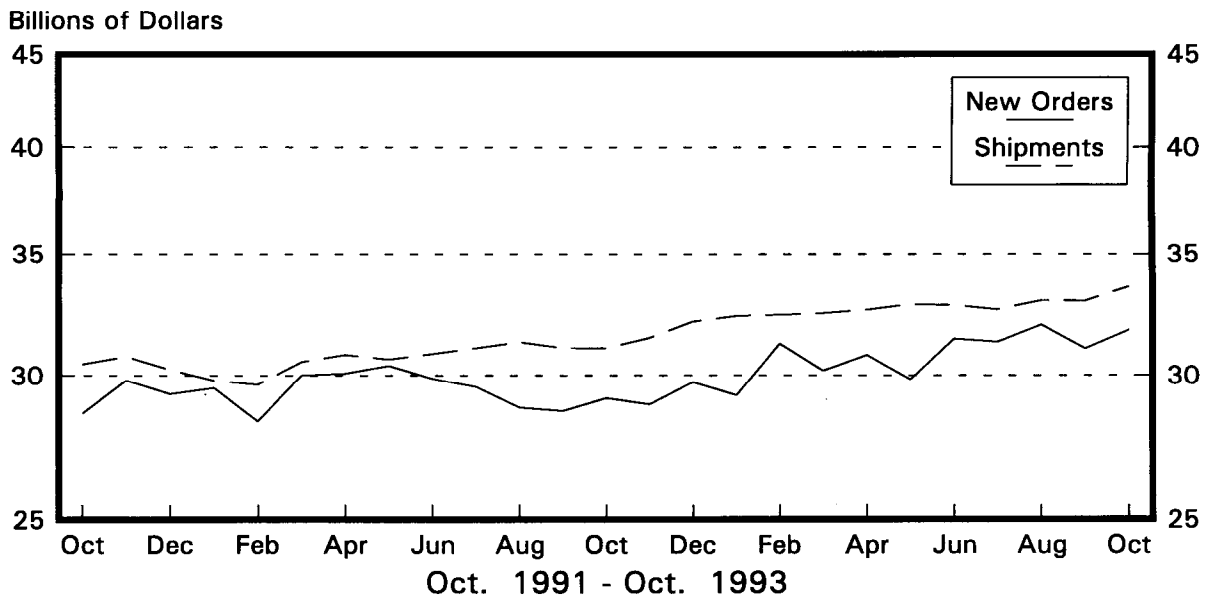
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New Orders and Shipments
Three Month Moving Averages



Nondefense Capital Goods

New Orders and Shipments
Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.

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PUBLICATION DATES FOR THE 1994 MONTHLY M3 SURVEY
MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS

| Report Covering | Advance Report Release Dates (8:30 a.m. release time) | Regular Report Release Dates (10:00 a.m. release time) |
|--------------------|---|--|
| December 1993 | Thur., Jan. 27 | Thurs., Feb. 3 |
| January 1994 | Thur., Feb. 24 | Thurs., Mar. 3 |
| February 1994 | Wed., Mar. 23 | Wed., Mar. 30 |
| March 1994 | Wed., Apr. 27 | Wed., May 4 |
| April 1994 | Wed., May 25 | Thurs., June 2 |
| May 1994 | Thur., June 23 | Thur., June 30 |
| June 1994 | Wed., July 27 | Wed., Aug. 3 |
| July 1994 | Wed., Aug. 24 | Wed., Aug. 31 |
| August 1994 | Wed., Sept. 28 | Wed., Oct. 5 |
| September 1994 | Wed., Oct. 26 | Wed., Nov. 2 |
| October 1994 | Wed., Nov. 23 | Fri., Dec. 2 |
| November 1994 | Fri., Dec. 23 | Thur., Jan 5, 1995 |

The Manufacturers' Shipments, Inventories, and Orders press release can be faxed to you on the day of issue at a cost of \$120 per year. The fee is to cover the subscription service, wire transmission, and administrative costs. If you wish to subscribe to this service, or would like more information, please call Sandy Sollinger at (301) 763-2604.

